SUMMER 2002
ELECTRIC RELIABILITY

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Transmission and Distribution Systems

- Illinois Power maintains a Strong Interconnected System
  - 9 Transmission Interconnections
  - No elements of Illinois Power's Transmission or Distribution system prohibit import capabilities for Summer 2002
  - Simultaneous Summer Import Capability of 3,226 MW (75.5% of expected Connected Transmission Peak Load)
  - Over 1,228 MW of non-affiliated generation (28.7% of expected Connected Transmission Peak Load)
  - 1117 MW Firm Network Resources Supplied to Connected Transmission Load from Outside Illinois Power's Control Area (26.1% of expected Connected Transmission Peak Load)

Transmission and Distribution Systems

- System Performance
  - No Firm Curtailment affecting Transmission Facilities or Transmission Schedules on Illinois Power's system
  - 148 Level 2 TLRs were called in MAIN during the June, 2001 through August, 2001 period
    - None were attributable to Illinois Power facilities.
  - 466 Level 2 TLRs were called in MAIN and 920 Level 2 TLRs were called for all of the Eastern Interconnect in 2001
    - Illinois Power Facilities were responsible for 6 of these TLRs and none occurred during the Summer
    - Associated with Coffeen Roxford facility which was upgraded in 2001

Transmission and Distribution Systems

- No expected overloads on the Transmission or Sub-transmission during normal conditions
  - Only two Sub-Transmission facilities would be expected to slightly exceed ratings with a worst case scenario
- Asset Management utilized to ensure capital expenditures maintain Planning

Criteria and Reliability

Expected Peak Summer Load and Resources

- Forecasted Summer 2002 peak retail load obtaining supply from IP: 3,258 MW
- Supply Resources IP has arranged to meet peak retail load: 3,875 MW

  Dynegy Midwest Generation: 2,945 MW
  AmerGen: 698 MW
  Other: 232 MW

- Portion of IP Supply Resources located in IP's Control Area: 3,672 MW

IP Control Area Load, Transmission Load, and Control Area Generation

- Forecasted Summer 2002 Peak Load in IP's Control Area: 4,003 MW
- Forecasted Summer 2002 peak Transmission System Connected Load: 4,276 MW
- Forecasted Summer 2002 Generation in IP Control Area: 5,877 MW

IP Native Load Reserve Margin

IP Actual Resources/Load and Planned Resources/Load 1997-2006

IP Actual Load vs. Forecasted Load 1997 - 2001 (Native Load)

Actual Load Served Within IP Transmission System

Demand-Side Management

- Alternative Bundled Rates - Time-of-Use
  - Residential Time-of-Use (SC 3)
  - Metal Heating (SC 26)
  - Real-Time Pricing
- Alternative Bundled Rates - Interruptible Rates
- Load Reduction Pricing Experiment to Encourage Customers to Voluntarily Curtail Electric Load
  - Customer compensated for voluntary curtailment of electric load during periods of high demand and tight supplies.